



North Carolina Department of Health and Human Services
Division of Mental Health, Developmental Disabilities and Substance Abuse Services
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Michael F. Easley, Governor
Carmen Hooker Odom, Secretary

Michael Moseley, Director

August 1, 2004

MEMORANDUM

TO: LME Directors
LME Finance Officers

FROM: Flo Stein, Chief, Community Policy Management Section
Wanda Mitchell, Team Leader, Budget & Finance Office

SUBJECT: Implementation of SFY 04-05 Substance Abuse Prevention Services

The Division will continue to fund SAPTBG and SDFSCA Child Substance Abuse Prevention activities via non-UCR reimbursement mechanisms in SFY 04-05. The June 29, 2004, SFY 04-05 Preliminary Continuation Allocations letter indicated that these funds had been moved into a UCR account for this year, but that change was incorrect. In line with our previously communicated policy decision, this memo is to inform you that these funds will be moved into the correct non-UCR through individual allocation letters to be distributed immediately. As a result of this correction, LMEs will be reimbursed by the Division this year on a reimbursement basis for the actual costs incurred in providing or contracting for the provision of substance abuse prevention services, just as was done the latter part of last fiscal year.

Please note:

- 1) The Division will continue to suspend the use of IPRS for prevention services and associated payment rates at this time.
- 2) All LMEs are to continue to submit monthly reports outlining services rendered by contractors, as well as the required Bi-Annual and Annual reports.
- 3) The Division will be reviewing the December 9, 2003 memorandum from Flo Stein and Leza Wainwright on this subject to determine if there is a need for any changes in the service definitions and policies outlined in that memorandum. If changes are identified, we will communicate those to you in writing no later than January 4, 2005.
- 4) Prevention services delivered under the North Carolina Parent Corps Initiative funding under the block grant for child prevention services can support those LMEs who had funding for parent leaders during SFY 04. Approval is granted to utilize block grant funding for services provided by the parent leaders. Documentation should continue in accordance with the guidelines issued for SFY 04.

If you have any further questions, please contact Dr. Janice Petersen, Prevention and Early Intervention team leader at janice.petersen@ncmail.net, (919) 715-5989.

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